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## The New NATO Members:

### Will They Contribute?

by Jeffrey Simon

#### Conclusions

In assessing the reasons NATO often cites for enlarging the Alliance, one might conclude that the three new allies will promote stability through institutionalizing common values and processes. Each case is, in fact, different:

Hungary already may have crossed the threshold. While it has provided lines of communication, as well as a non-combat engineering battalion in Bosnia, the long-term effect of low defense budgets and nine-month conscription is undermining its military capacity. If it does not increase defense expenditures, or if it reduces conscription to six months, Hungary will find it difficult to meet NATO target force goals or its military commitments with Slovenia and Romania, or be anything more than a security free rider. Hungary's choice could significantly affect the future of NATO enlargement, as well as regional security.

The Czech Republic stands at a crossroad. If it maintains 12-month conscription, it has the capacity to strengthen territorial defense, contribute a brigade to NATO rapid reaction forces and a battalion for out-of-area operations, and provide lines of communication. If, however, Prague adopts an opposition policy of eliminating conscription to use an all-volunteer force, the military could evaporate because of low social support. If this were to occur, the Czechs would become merely free riders of security.

Poland's social support for the military, robust economy, and demographics should provide its armed forces with the capacity to strengthen territorial defense, add two brigades to NATO rapid reaction forces, and enhance the Alliance's capacity to operate out of area by providing lines of communication and peace support forces.

#### Introduction

The three new NATO members must determine what military role each will play in European security. Their choices are important in light of NATO arguments justifying enlargement. These reasons included:

- promoting stability through institutionalizing common values and processes
- enhancing NATO's Article 5 core defense tasks by strengthening territorial defense and

contributing to rapid reaction forces; and

- enhancing capacity of NATO to operate militarily out of area by providing lines of communication and peace support operations.

The degree to which new NATO members realize their potential will influence, if not determine, the future of the Alliance.

### **NATO-Member Challenges**

The new members face the challenge of militarily integrating into NATO. If they succeed, the Alliance will be strengthened and poised for further enlargement. If they fall short of expectations, and if NATO concludes that the first tranche has added free riders rather than military contributors of security, NATO's Article 10 commitment to further enlarge will become less credible, and regional security will be compromised.

The challenge of NATO integration is not so much a question of military equipment modernization—which is not addressed in this paper—but of building a capable military institution that is supported by society and government.

Partnership For Peace (PFP) has created a sense of regional security and stability. NATO needs to be careful not to permit attention and resources to be deflected from the PFP to its new members, as this might erode a partnership that could experience a "mid-life crisis" after the April 1999 Washington Summit. NATO's new members—in addition to meeting their target force goals and providing rhetorical support for neighboring partners' membership—need also to devote their energy and resources into the partnership.

### **New NATO-Member Military Contributions**

Military contributions by Hungary and the Czech Republic—with populations of roughly 10 million—might be compared to Belgium, Portugal, and Greece, whose respective forces (and defense expenditures as percent of GDP) number 43,000 (1.6 percent), 55,000 (2.6 percent), and 162,000 (4.6 percent). Poland—with a population of 38 million—is comparable to Spain, whose forces and defense expenditures are respectively, 197,000 and 1.4 percent of GDP.

**Hungary.** In 1999, Hungary's 52,200 troops constituted roughly 42 percent of its 122,400 in 1989, when the majority (75 percent) of the armed forces were 18-month conscripts. In 1994, Hungary reduced conscript time to 12 months, and again in 1997 to nine months. A new government program seeks to *further reduce* conscription to six months.

Reducing conscript training time increases training costs and produces inadequately trained conscripts. It also requires more conscripts to maintain existing force levels. Accelerated intake is a particularly serious problem for Hungary because its population is declining! In 1998 its pool of possible conscripts numbered 90,000, which barely produced the 33,000 conscripts needed for the armed forces. Budapest's demographics are such that between 2003 and 2005 the available pool will decline to roughly 50,000 (or 55 percent of present levels). Assuming that deferments, health standards, and professional forces remain unchanged, the pool will produce only 18,150 conscripts (resulting in an overall force of 37,950). If the Government implements its six-month conscription program, available manpower will decline to 12,100 (to produce an overall force of only 31,900).

Because many senior military officials noted publicly that the existing nine-month conscription produces troops of limited utility, Hungary initiated a program to attract contract (extended-service) soldiers who could perform tasks that conscripts are unable to perform (e.g., drive tanks and fire artillery). The plan was to hire 2,000 each in 1996 and 1997; and an additional 500 per year thereafter. By NATO accession in March 1999, only 4,300 extended service troops (of Hungary's goal of 5,500) were serving, constituting a shortfall of 1,200.

Defense Minister Janos Szabo has noted that he will carefully survey the defense budget and find every available *forint* to fill out the extended service shortfall. This may prove difficult, because Hungary's professional forces are also competing for resources in Hungary's bare bones defense budget. Hungary's professionals are losing ground to inflation. Last year they sought a 41 percent salary increase to simply break even with several years of inflation and were unhappy when they received only a 23.5 percent raise. Coupled with Hungary's low popular support for the military (it ranks 23 out of 25 occupations), plans to expand its 19,800 professional force (which has declined 35 percent since 1989) are at risk.

The defense budget declined from 2.8 percent of GDP in 1989 to roughly 1.4 percent in 1997. In response to concerns and pressures from some NATO allies, Hungary agreed to increase its defense budget by 0.1 percent per year until the year 2001 to reach 1.8 percent of GDP, which still falls below the European NATO-wide average of 2.1 percent of GDP.

This means that Hungary's role as a contributor of military security in NATO is in jeopardy. Legitimate questions need to be raised about the limited utility of nine-month conscripts, even for territorial defense. This problem will be magnified if conscript time is reduced to six months. Hungary's forces would decline substantially to an overall force of 31,900. Hungary's force contribution would be equivalent to Denmark and Norway; two NATO allies roughly one-half the size of Hungary with populations at 5.2 million and 4.3 million respectively.

|      | Total   | Conscripts (mo.) | Career | Contract | Civilians | %GDP |
|------|---------|------------------|--------|----------|-----------|------|
| 1989 | 122,400 | 91,900 (18)*     | 30,500 | 0        | 33,300    | 2.80 |
| 1990 | 110,700 | 81,000           | 23,700 | 0        | 32,500    | 2.50 |
| 1991 | 94,000  | 65,300           | 20,700 | 0        | 27,500    | 2.40 |
| 1992 | 74,000  | 51,100           | 22,500 | 0        | 26,000    | 2.20 |
| 1993 | 74,340  | 52,340           | 22,000 | 0        | 25,680    | 1.90 |
| 1994 | 73,550  | 51,550           | 22,100 | 0        | 24,060    | 1.70 |
| 1995 | 60,201  | 46,350           | 21,911 | 0        | 23,894    | 1.45 |
| 1996 | 61,634  | 47,535           | 24,059 | 0        | 19,808    | na   |
| 1997 | 55,731  | 34,395 (9)*      | 21,346 | 2,300    | 14,081    | 1.40 |
| 1998 | 53,700  | 33,000           | 20,700 | na       | 11,100    | 1.50 |
| 1999 | 52,200  | 32,400           | 18,600 | 4,300    | 7,000     | 1.60 |

Source: National Defence 95 and National Defence 96 (Budapest: Ministry of Defense), pp. 13 & 27 respectively; *Balance of Armed Forces: 1995-1998-2005* (Budapest: Ministry of Defense), p. 11

Hungary needs to review the role it wants to play in the Alliance and realistically assess whether its military force is consistent with that role. Will it be able to provide for territorial defense and meet its commitment to provide an additional battalion for NATO rapid reaction forces by 2003, let alone maintain its Bosnian 300-troop noncombat battalion? Can Buda-pest provide the resources necessary to develop its planned military units with Romania on the one hand, and with Slovenia and Italy on the other? Its answers will have a significant impact on regional security and will determine whether it

becomes a free rider or NATO contributor.

**Czech Republic.** In 1999, the Czech Republic's 60,880 troops constituted roughly 57 percent of its 106,679 in 1993, when the majority (57 percent) were 12-month conscripts (down from 18 months in the Czech and Slovak Federated Republic).

The new Milos Zeman government maintains 12-month conscription, but some members of Vaclav Klaus's opposition are calling for an all-volunteer force. Assuming that 12-month conscription is maintained, the Czechs face a demographic problem that is not as severe as Hungary's. Its pool of roughly 90,000 in 1997 and 1998 will decline to 70,719 by 2002. This represents a decline of roughly 22

percent, compared to Hungary's precipitous 45 percent decline. This means that the Czech Republic ought to be able to meet its planned manning levels of roughly 23,000-to-25,000 conscripts, if it maintains 12-month conscription.

Recognizing the resulting effects of further reducing conscription time, coupled with the shortage of NCOs and junior officers, the military argued that it was necessary to cultivate 14,000 junior officers before reducing conscript time. They continue to encourage the government to maintain the 12-month term.

| Czech Armed Forces<br>as of 1 January |         |                   |        |           |      |
|---------------------------------------|---------|-------------------|--------|-----------|------|
|                                       | Total   | Conscripts (mo.)* | Career | Civilians | %GDP |
| pre-1993                              |         | (18)*             |        |           |      |
| 1993                                  | 106,679 | 68,630            | 38,049 | 25,286    | 2.6  |
| 1994                                  | 87,606  | 54,326            | 33,262 | 23,634    | 2.6  |
| 1995                                  | 73,591  | 43,178            | 30,413 | 27,728    | 2.3  |
| 1996                                  | 65,800  | 38,000            | 27,800 | 28,454    | 2.2  |
| 1997                                  | 58,514  | 32,693            | 25,821 | 27,060    | 1.7  |
| 1998                                  | 57,012  | 31,191            | 25,821 | 24,000    | 1.8  |
| 1999                                  | 60,990  | 34,717            | 26,163 | 20,301    | 1.9  |
| est. 2000                             | 55,000  | 30,000            | 25,000 | 13,000    | 2.0  |

Source: National Defence 95 and National Defence 96 (Budapest: Ministry of Defense), pp. 13 & 27 respectively; Reform of Armed Forces: 1995-1999-2005 (Budapest: Ministry of Defense), p. 11.

The Czech Republic's 1999 professional corps of 26,163 is larger than Hungary's by 30 percent, which perhaps helps to explain why it has been able to maintain an 800-troop battalion with vertical lift capability in Bosnia (more than twice Hungary's capacity). The larger Czech corps also makes credible its goal to provide a brigade to NATO rapid reaction forces. Many of the Czech professional corps' problems are the same as Hungary's: a shortage of housing, inadequate pilot training, and low occupational prestige for the military. However, Czech Republic budgetary support for defense has been

consistently stronger than Hungary's.

The 1993-1994 defense budget of 2.6 percent of GDP declined to 1.7 percent in 1997. In response to NATO pressure, Prague agreed to increase defense expenditures by 0.1 percent per year to reach 2.0 percent of GDP by 2000. And, like Hungary's, the budget has increased each year; unlike Hungary's, the Czech economy has been in decline. This means that the additional resources which the Czechs assumed would accrue from increased growth are not only unlikely to materialize, but, with economic contraction, could result in reduced resources for defense, even if Prague meets its commitment to increase by 0.1 percent per year. In other words, economic constraints are more likely to be prominent in the Czech Republic than in Hungary.

If Prague maintains 12-month conscription and its commitment to increase defense expenditures 0.1 percent per year, and if the economy improves, the Czechs have the capacity to produce a military force comparable in size to those of Belgium and Portugal. However, Prague is just as likely to take a free ride.

**Poland.** In 1999, Poland's 205,000 troops constituted roughly 50 percent of its 412,000 in 1988, when the majority of the armed forces were 24-month conscripts. In 1990, Warsaw reduced conscription to 18 months, and again in 1998 to 12 months. At present, it has no intention of further reducing the conscription term.

| Polish Armed Forces<br>as of 1 January |         |                   |         |          |                |
|--|---------|-------------------|---------|----------|----------------|
|  | Total   | Conscripts (mil.) | Career  | Contract | Civilians %ADP |
| 1988                                   | 412,000 | (24)*             | 112,656 | 0        | 118,034 2.50   |
| 1989                                   | 347,000 | 224,144           | 112,656 | 0        | 118,000 1.80   |
| 1990                                   | 314,000 | 205,000           | 108,000 | 0        | 113,000 2.52   |
| 1991                                   | 304,000 | 192,100           | 85,153  | 0        | na 2.25        |
| 1992                                   | 296,000 | na                | 88,800  | 0        | na 2.23        |
| 1993                                   | 295,000 | 131,000           | 89,900  | 0        | 86,000 2.47    |
| 1994                                   | 293,700 | 151,300           | 88,700  | 0        | na 2.43        |
| 1995                                   | 251,200 | 150,000           | 87,600  | 0        | 84,000 2.31    |
| 1996                                   | 241,800 | na                | 85,300  | 0        | 83,500 2.33    |
| 1997                                   | 210,000 | 105,000           | 83,800  | 0        | 82,400 2.30    |
| 1998                                   | 212,522 | 115,400 (12)*     | 85,500  | 13,500   | 81,600 2.26    |
| 1999                                   | 205,353 | 104,500           | 84,900  | 20,800   | 80,000 2.18    |
| 2000                                   | 150,000 |                   |         |          |                |

Source: Polish Army: Facts and Figures (in the Transition Period) (Warsaw: MON, 1991); Brief Information on the Armed Forces of the Republic of Poland (Warsaw: MON, January 1995); Mimeo, Ministry of National Defence, Department of Personnel (Warsaw: MON, 27 June 1998); "Army 2012," *Rzeczpospolita*, 1 April 1998.

Twelve-month conscription should be adequate to train troops for territorial defense functions and should not unduly stress Poland's demographic situation, which in 1998 provided a 317,000 pool of manpower. While the pool will decline gradually through 2003, it is adequate to produce the roughly 90,000 needed conscripts.

In other words, in contrast to Hungary, demographics are unlikely to impact Polish force structure. As in the Czech Republic, economics are likely to affect Polish forces—but in significantly different ways. Poland's

strong economy will make it increasingly difficult for the Polish military to attract soldiers.

Polish planners recognize that 12-month training is inadequate to provide troops with many of the skills necessary to a modern military. Hence, like Hungary, in 1994 Poland introduced extended-service (a minimum of an extra 15 months) contract troops, which numbered 13,500 in 1998 and are to expand to 20,000 by the end of 1999. When the program was introduced in 1994 the 600 *zloty* salary was 130 percent of Poland's average monthly salary (AMS); hence there were three applicants per slot. In 1998 the 800 *zloty* salary was roughly 80 percent of the AMS; hence there was only one applicant per position. Filling the expanded, extended-service slots may be difficult, but is probably manageable, because Poland's military, in marked contrast to Hungary's and the Czech Republic's, is a popular institution.

This support has been manifest in Polish defense budgets, which have been consistently higher than those of other new (and many old) NATO members. Since 1989, when the Polish defense budget was 2.5 percent of GDP, it has—with one exception in 1989—remained at roughly 2.3 percent of GDP, slightly higher than European NATO's 2.1 average.

The Polish professional officer corps dropped roughly 25 percent from 112,656 in 1988 to 83,800 in 1997 (compared to 35 percent in Hungary and the Czech Republic). The professional corps has since begun to rebound to 85,500 in 1998, with plans to increase to 94,900 in 1999. Poland has maintained an 800-troop battalion in Bosnia and offered a second battalion, contingent upon outside funding. Their IFOR/SFOR force participation and professional force size make credible their future commitment to provide two brigades to NATO's rapid reaction force and build combined military units with Lithuania and Ukraine.

Nevertheless, Poland shares with other new members many problems that impact on morale. There is a need to improve social conditions and housing, and many professionals are concerned about their pensions. Another competitive attraction is the robust economy which is drawing talent away from the professional forces. In the Polish air force, pilots have been departing in droves. For example, a pilot with 15 years of experience earns roughly 3,000 *zlotys* per month, while he can command 8,000 *zlotys* on the open economy. Hence, as with the extended-service contract forces, the vibrant economy will make the task of building and maintaining Poland's professional forces difficult, particularly for the air force.

In sum, while Poland's strong economy complicates the task of building its armed forces, demographics will not be a serious problem, and strong social support will help Warsaw achieve its target force goals. It is conceivable that Poland will more than match Spain and will become a serious NATO military contributor of security, enhancing the Alliance's military capabilities.

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